

**Utah School Readiness Initiative
53A-1b-101 (2014-2018)
HB 380 (2018)
October 31, 2018**

I. 2018 Cohort 3 Payout Formula:

- a. \$1,138,500 – Original loan amount
- b. 7.19 – Cap rate – 5% plus 2.26 Municipal Market General Obligation Bond AAA 10 yr.
- c. \$2,837 – Weighted pupil unit
- d. Payout formula:
 - i. At risk group eligible for payout: number of 4 yr. old students who tested at or below two standard deviations below the mean on the Peabody Picture Vocabulary Test (PPVT) pretest in preschool and remained out of special education at the end of their second-grade school year.
 - ii. Number of students multiplied by the WPU (weighted pupil unit) for the 2015-2016 school year.
 - iii. Number of students multiplied by the WPU times 95% is the amount owed to investors.

II. Cohort 3 Payment Amount due to Investors for SY 2017=2018, First grade

- a. 105 students that tested below 70% on the PPVT pretest remained out of special education.
- b. 105 students x \$2,837 WPU = \$297,885
- c. \$297,885 x 95% = \$258,970

III. 2018 Cohort 3 payment to Investors: \$282,990

Date _____

James Sorenson, Chair, School Readiness Board